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THE ENERGY RECORD: CONGRESS AND THE EXECUTIVE BRANCH

Mr. JACKSON. Mr. President, as a result of the President's remarks last week on the performance of Congress in the energy field, I have received a number of inquiries from Senators and others asking for the facts on this subject. I am making this statement today to clarify the record of Congress and the administration on energy issues.

Let me say at the outset that I regret very much the President's remarks on this subject. Not only have those remarks created an erroneous impression, they have also injected an element of partisanship in an area where, at least as far as Congress is concerned, bipartisan cooperation has been the order of the day.

The record is clear that, with the support of Members of both parties, this Congress is in the process of compiling an exceptional record on energy issues.

This is the Congress that gave the President discretionary authority last April to allocate scarce fuels. This is the Congress that has cleared for the President's signature the trans-Alaska pipeline bill and the Emergency Petroleum Allocation Act. And this is the Congress that has taken the initiative, in the National Energy Emergency Act, to direct executive branch action to deal with unprecedented fuel shortages.

ORIGINS OF THE ENERGY STUDY

Legislative interest in critical energy issues has not developed overnight. Senators may recall that on July 16, 1970, Senator JENNINGS RANDOLPH introduced legislation cosponsored by Senators of both parties to establish a National Commission on Fuels and Energy. This was to be a joint executive-legislative body to make a comprehensive study of the Nation's energy needs and how best to meet them.

The administration opposed creation of this Commission on the ground that its work would overlap with studies by the Domestic Council—studies that were announced after Senator RANDOLPH's bill was introduced. If such studies were in fact made by the Domestic Council, they have never seen the light of day. But it is significant that the administration was on notice, more than 3 years ago, of deep congressional concern about emerging energy problems.

Because a serious study was obviously needed, Senator RANDOLPH and I sought to authorize a unique cooperative effort in the Senate in early 1971. On February 4, 1971, he introduced Senate Resolution 45, cosponsored by 50 Senators, authorizing the national fuels and energy policy study by the Senate Interior Committee, with participation by the Committees on Commerce and Public Works and the Joint Committee on Atomic Energy. This has not been idle participation either. Under the leadership of Senators MAGNUSON, PASTORE, and RANDOLPH, these committees has played a major role as the study has progressed.

The study authorized by the Senate on May 3, 1971—when Senate Resolution 45 was approved—was broad in scope, involving a comprehensive investigation of

the Nation's energy needs and energy resources; of the alternatives available for meeting those needs; and of the effect of Federal laws and policies on the fuels and energy industries. Beginning in late 1971 and continuing into mid-1973, the committee held extensive hearings on a wide range of issues including deep water port policy, energy conservation, oil import policy, Federal leasing programs, fuel shortages, and energy research programs. These hearings have laid the groundwork for the legislative program now moving through Congress.

As the energy study progressed, it became increasingly obvious to many of us that the Nation's energy problems were serious, that we were entering a period of dangerous dependency on foreign oil, that alternatives to such dependency were not being exploited and that critical energy issues were not being considered at the highest levels of Government.

WARNINGS ABOUT IMPORTS

My concerns were expressed in a letter to the President in June 1972 in which I asked for a full-scale "in-depth study and assessment of national security, foreign policy, and domestic energy policy implications of our growing dependence on imported crude oil and petroleum products from the Middle East and elsewhere." Had that study been undertaken with a sense of urgency and purpose some 17 months ago, we might be better prepared to deal with the international energy problems we face today. Unfortunately, it was not.

On my return from a trip to the Mideast in the fall of 1972, I again warned of the dangers of increasing dependence on Mideast oil. In a speech on December 7, 1972, in Pittsburgh, I set forth some conclusions about this problem which bear repeating:

First, despite official assurances to the contrary, I believe there are major dangers of political instability in the Mideast. This region's history of political turmoil, internal dissension and abrupt changes in government policy provide a shaky foundation for long-term commercial enterprise, for permanent foreign policy arrangements, and for increased dependence on vital energy supplies.

Second, I believe that the optimism of many government officials, and U.S. oil company representatives as to the security of future supplies from this region is unwarranted. The desire of these nations to manage their own resources, and to own and control both production, transport, refining and marketing facilities has, I believe, been greatly underestimated.

Third, even if we assume political stability and rational decision-making on the part of the major oil producing nations—an assumption I consider reasonable after my meeting with leaders in Iran and Saudi Arabia—the sheer magnitude of the revenues to be derived from oil production raises serious questions. Where will revenues not needed for internal development be invested by these countries? Will economic considerations dictate production controls and a shutting-off of supplies even if political or bargaining considerations do not?"

REACTION TO FUEL SHORTAGES

As 1972 progressed, there was increasing doubt about the ability of our existing energy system to meet the country's fuel needs. But the administration's oil experts assured us that the needs could

and would be met. What happened in the winter of 1972-73 is now history. One would have thought, however, that the fuel shortages which occurred then would have provided some warning to Administration policymakers.

The disarray in the administration on energy issues during this period was reflected in the fact that it took 4 months to produce a Presidential energy message for Congress. The message that was first promised for January finally came in April. It then proved necessary to bolster this message with a second message in June.

Meanwhile, the efforts to provide top-level energy policy leadership in the White House continued. In December 1972, citing the large number of Federal agencies in the energy field, many of them working at cross purposes, I had urged the appointment of an energy "Czar" to provide overall leadership and coordination; 1973 began with the designation of an energy trika of Messrs. Ehrlichman, Kissinger, and Shultz, which never really functioned. Then came the appointment of Mr. Charles DiBona as the President's energy aide. Thereafter Deputy Treasury Secretary Simon, as chairman of the Oil Policy Committee, played a major role in energy matters until Governor Love was appointed as head of the Energy Policy Office in June.

FUELS ALLOCATION SYSTEM

While these administrative changes were taking place, those of us involved in energy matters were concentrating on measures to allocate scarce fuels and otherwise deal with impending shortages. Administration officials, under questioning, had testified before the Interior Committee as early as January that they lacked adequate authority to allocate fuels in times of shortages and I had announced in February that I would introduce legislation to remedy this.

From the outset the administration took the position that no allocation system was necessary. At the hearing on my proposed mandatory allocation bill on May 1, 1973, Secretary Simon testified that:

We do not believe that direct government control of fuel distribution is desirable and we hope that we will never have to implement an allocation or formal consumer rationing system.

It was a matter of days, however, before the administration announced a limited voluntary allocation program under the authority provided by Senator EAGLETON's amendment to the Economic Stabilization Act.

After the voluntary program had been in effect several weeks, Secretary Simon conceded that it was not working effectively and said a mandatory program would be instituted. Then Governor Love was appointed and he took the issue under advisement. In August, he issued proposed regulations for a mandatory program, but said in effect that they would not work and he hoped not to use them.

Specifically, Governor Love said of his proposed mandatory program:

In spite of our best efforts, this program, as all other mandatory programs has, I be-

lieve, significant flaws both philosophically and practically. I believe that this or any other mandatory program runs the very great risk of reducing, not increasing, the available supplies of fuels.

Finally, the administration was forced, even before the Arab embargo, to start mandatory allocation programs for propane, jet fuel, and heating oil. Precious time has been lost in formulating the policy directives, recruiting the personnel, and establishing the organizational framework to make these allocation programs function properly.

THE ADMINISTRATION PROGRAM

The administration's long delay in focusing on energy issues is reflected not only in the fact that its legislative program was sent to Congress 3 months after Congress convened, but also in the make-up of the program itself. While including long term measures like legislation authorizing deepwater ports and deregulation of natural gas prices, it failed to include short-term measures like fuels allocation authority and it neglected entirely such major issues as energy conservation and research and development.

Sometimes, it is not entirely clear just what the administration's program is. Only this week, administration officials appeared before the Interior Committee and withdrew support for legislation proposed by the administration to terminate certain leases in the Santa Barbara channel and place the area covered by these leases in a national energy reserve. Yet this is legislation that the President urged Congress to enact even as late as last spring.

THE CONGRESSIONAL PROGRAM

The energy program being developed by Congress is, on the other hand, more comprehensive and more balanced between long-term and short-term considerations.

This week, Congress has already completed action on two major energy bills, the legislation to authorize the construction of the trans-Alaska pipeline and to authorize the implementation of a mandatory allocation program for crude oil and petroleum products.

I might point out, Mr. President, that both these bills represent initiatives by the Congress. The trans-Alaska pipeline bill was developed by the Interior Committee, working with the executive branch, after the court of appeals held that the Secretary of the Interior had exceeded his authority in granting a right-of-way for the pipeline. The fuels allocation bill, which I introduced last April, was opposed by the administration from the outset.

The Senate's first energy bill was passed on May 10, 1973. This was Senator HOLLINGS' proposal to create a Council on Energy Policy in the Executive Office of the President.

The Senate has also passed two important bills which provide the standards and institutional mechanisms for reconciling our energy and environmental needs. I refer to the National Land Use Policy Act—passed on June 21, 1973—and the National Surface Mining and Reclamation Act—passed on October 9, 1973.

RESEARCH AND DEVELOPMENT

Another congressional initiative has been in the critical field of energy research and development. When I introduced legislation authorizing a massive 10-year, \$20 billion energy R. & D. program on March 19, 1973—with the co-sponsorship of 27 Senators—the administration turned a deaf ear. But as the serious nature of our energy situation became more apparent the administration's attitude has changed. The President is now publicly committed to the kind of program we proposed last spring. But the question still remains whether the administration will commit the funds to make a real R. & D. effort. At this moment, the Office of Management and Budget has impounded more than \$20 million in funds for energy research and development.

The administration's record on development of our geothermal steam resource is cause for concern about the strength of its commitment to energy research and development. The fact is that Congress in 1970 authorized leasing of the public lands for development of geothermal steam. As of today, the administration has yet to promulgate the regulations that would permit public lands to be leased for this purpose. Under the determined leadership of Senators BIBLE and CHURCH, the Interior Committee has been pushing hard to accelerate geothermal development. But the administration has opposed legislation pending before the Interior Committee to speed commercial development of geothermal energy through a program of loan guarantees. And it has impounded the additional \$7 million appropriated by Congress earlier this year for geothermal development.

Another research area where Congress has consistently taken the leadership is coal research. As a member of the Appropriations Committee, Senator BYRD of West Virginia has long worked for funds to expand our coal research programs. In this year alone, he succeeded in adding almost \$40 million to the administration's budget to accelerate research on coal gasification, coal liquefaction and improvements in mining technology.

ENERGY CONSERVATION LEGISLATION

It is worth noting, Mr. President, that the administration has also opposed the National Fuels and Energy Conservation Act, introduced on July 13, 1973, reported by the committee and now pending on the Senate Calendar with action planned in the immediate future. This legislation, which lays the foundation for a serious energy conservation effort, is co-sponsored by 35 Senators.

Despite the critical importance of efforts to reduce energy demand, the administration has never submitted any legislation on this subject to the Congress. It has not only opposed my bill, but also opposed major bills on this subject developed by the Commerce Committee. In a letter dated July 31, 1973, Assistant Secretary of the Interior Wakefield opposed my bill on the ground that adequate authority for a conservation program already exists. He also argued that the bill "calls for a fraction-

ated and less well organized approach to the vital matter of energy conservation than the current Federal program."

The effectiveness of the Federal program is, quite frankly, still very much in doubt as the need for serious conservation efforts grows greater than ever.

STRATEGIC RESERVE

The administration has also opposed legislation which I introduced on April 16, 1973, to establish a national strategic petroleum reserve in order to minimize the impact of disruption of our oil imports. Although the administration supports the concept of such a reserve and agrees that legislation is necessary, it opposed my bill and has yet to submit its own legislation on this subject.

In a letter dated October 26, 1973, the Office of Management and Budget endorsed the Interior Department's opposition to the bill on the grounds that creation of the reserves system, called for in the bill "would be extremely costly and is considered unnecessary."

EMERGENCY LEGISLATION

Finally, Mr. President, the record should be clear as to legislation dealing with the present energy emergency. I introduced the National Emergency Petroleum Act, to provide the President with adequate authority to deal with this crisis, on October 18. At that time, it was obvious that a critical energy situation was developing as a result of the Arab oil embargo. Yet it was 2 weeks after that before the administration was able to respond with tentative emergency proposals of its own. Again, congressional initiative was required to stimulate administration action.

I want to emphasize that the administration had discretionary authority under the Defense Production Act, the Economic Stabilization Act, and other statutes to make contingency plans, to prepare for rationing, and to allocate scarce fuels. But it has never been willing to face up to the realities of the situation. Congress, at every turn, has had to force the administration to act, either by proposing, enacting, or threatening to enact appropriate legislation.

Let me repeat, Mr. President, that the unprecedented efforts of this Congress on energy matters have been on a bipartisan basis. I wish to acknowledge, in particular, the great contribution of Senator FANNIN and his Republican colleagues on the Interior Committee. Senators of both parties have worked long and hard on these issues. I am confident that we are developing a legislative program that will enable the Federal Government to deal with our critical energy problems and serve as a basis for long-term national energy policy.

Mr. President, I ask unanimous consent that there be included in the RECORD at this point a list of the energy related bills acted upon or pending before the Interior Committee in the present session of Congress.

I also ask unanimous consent that the full text of my letter to the President of June 13, 1972, and my speech to the Coal Mining Institute of December 7, 1972, be included in the RECORD.

*There being no objection, the material was ordered to be printed in the RECORD, as follows:

ENERGY RELATED BILLS PENDING OR ACTED
UPON BY THE SENATE INTERIOR AND INSULAR
AFFAIRS COMMITTEE IN THE 93D CONGRESS

INTRODUCED

January 9, 1973: S. 268, National Land Use Policy and Planning Assistance Act. Reported to the Senate June 7, 1973 and passed by the Senate June 21, 1973.

January 18, 1973: S. 425, Surface Mining Reclamation Act of 1973. Reported to the Senate September 21, 1973 and passed by the Senate October 9, 1973.

March 1, 1973: S. 1081, Rights of Way Through Federal Lands Act. Reported to the Senate June 12, 1973 and passed by the Senate and House. Conference Report to be filed this week.

March 19, 1973: S. 1283, National Energy Research and Development Policy Act of 1973. Hearings held June 21, 22 and July 11, 12, 1973. Legislation in final stages of Executive Mark-up.

April 13, 1973: S. 1570, Emergency Petroleum Allocation Act of 1973. Reported to the Senate May 17, 1973 and passed by the Senate and House. Conference Report to be filed this week.

April 16, 1973: S. 1586, Petroleum Reserves and Import Policy Act of 1973. Hearings held May 30 and July 25, 26, 1973. Legislation now being revised.

July 13, 1973: S. 2176, National Fuels and Energy Conservation Act of 1973. Hearing held August 1, 1973. Reported to the Senate and referred to Commerce and Public Works Committees for further consideration. Now pending on Senate Calendar.

October 18, 1973: S. 2589, National Emergency Petroleum Act of 1973. Hearing held November 8, 1973 and Executive Mark-up began November 9, 1973.

November 2, 1973: S. 2652, Coal Conversion Act.

The Committee has held joint hearings with the Commerce and Public Works Committees on the question of authorizing the construction of deepwater ports and is developing draft legislation on this subject.